Privatization Industry Forum
PHMA PDS XVI: Privatization Challenges and Lessons Learned

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January 26, 2004

Picerne Military Housing

- Provider of homes for America's families for more than 70 years
- Dedicated to putting *Families First*
- Army's Partner at:
  - Fort Meade, Maryland
  - Fort Bragg, North Carolina
  - Fort Polk, Louisiana

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Dedicated to Putting Families First™

Privatization as Partnership

- Privatization is successful as a partnership
  - Brings together the expertise and best practices of the private and public sectors
  - Avoids standardization of MILCON
- When the partnership works, challenges can be solved

Development Challenges

- Potential changes to the RCI program
  - Standardization
  - BAH stability
- Early identification and resolution of large cost or critical path items
  - Identification of development area
  - Construction and O&M of schools
  - Severance of certain existing Post contracts

Management Challenges

- Potential changes to the RCI Program
  - Renter's insurance
  - Utility costs
- Resident expectations as paying customers
  - Families in the same home paying different BAH rates
  - Families in different (new vs. older) homes paying the same BAH

Post-Transition/Closing Issues

- Obtaining ROA signatures
  - Deployment
  - Special Forces
- Collectively communicating expectations
  - On-post families
  - Local Community
  - Congressional delegation

Post-Transition/Closing Issues (Cont.)

- Partnership concept vs. contracting office/contractor
  - Open and thoughtful sharing of information from Post RCI staff to partner
  - Costs of standardization impact the families
- Effective and regular communication between Installation and Pentagon staff

Suggested Changes to Process

- *Don't change the process*
  - Maintain commercial aspect of the program
  - Privatization is successful because of its differences from MILCON
  - Privatized housing must remain competitive with the marketplace

Resident Satisfaction/ Tenant Surveys

- Challenge in obtaining constructive survey information
  - PHMA survey: PMH supports program
  - Picerne survey: ongoing internal program
  - Consideration of results received early in the development process (e.g., families in new homes vs. families in older homes)
- Understand impact to incentive fees

Lessons Learned

- Partnership provides the best environment for a successful program
- Flexibility of privatization translates to managing and meeting expectations
  - Of the families
  - Of the policy makers
  - Of the partners

Closing: Housing Privatization

- Combines the expertise of the public and private sectors
- Improves quality of life for families in military service across the United States
- Transparency should benefit families at all Installations

Thank You

- Picerne Military Housing is honored to be a part of the privatization program

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